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Headline	RERA earns over Rs 8.8 crore in penalty from builders		

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THE Karnataka Real Estate Regulatory Authority (RERA) has so far levied ₹8.83 crore as penalty from builders across the state who are yet to register their projects with it. Its portal has also warned public against investing in 970 real estate projects across the state, up from the 780 projects against which it had cautioned in January.

Setting up of the authority has been made mandatory across the country primarily to safeguard the rights of property buyers as well as regulate the chaotic real estate industry. The Karnataka branch of RERA was instituted in July 2017.

A senior RERA official told TNIE that altogether 2,019 building projects out of 2,583 projects which have applied to it have been registered. The remaining are being processed.

Following complaints from public and media reports, RERA has identified those who have not bothered to register with it and begun penalising them. "After repeated notices, we have levied fine on numerous builders who have not bothered to register with us. They have been levied a fine of

₹8.83 crore due to the delays and made to apply for registration," he said. While RERA is permitted to levy up to 10% of the project cost, it generally levies 1% to 2%," he added.

As on date, public have been warned not to register with 970 projects on its portal as they are not registered with RERA leaving their credentials suspect. "Once a project name figures under this 'Projects under investigation' category, banks rejecting loan applications from the buy-

ers as well as do not release any future loan instalments for completing the projects," the official added.

Meanwhile, a new problem has begun dogging the real estate scenario. "With the RERA certification being project-and time specific, some builders have overshoot the completion date and continue using the RERA tag beyond the expiry date. This is clearly misleading the public," another official said. "We are issuing notices to developers whose project completion date is expired."

Asked about the resentment shown by some builders, Confederation of Real Estate Developers of India, Bengaluru Chapter, Secretary Adarsh Narahari told TNIE, "The RERA Act is consumer-friendly. There will be teething problems as it came into effect just last year. Builders who are serious about keeping up their commitments to buyers welcome it. Only a few black sheep feel threatened by it. In the long run, it will emerge as a big game changer." The Builders Association of India State Chairman Somashekar Reddy said, "RERA is really good as the builders are all falling inside a system now."



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A RERA official



